

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Establishment of 4 wheeler manufacturing facility by M/s. MLR Motors Private Limited – Allotment of land and extension of certain benefits/concessions to the company to establish the 4 wheeler manufacturing facility – Extension of time limit to achieve Financial Closure up to 31.3.2010 – Payment of balance land cost to A.P. Industrial Infrastructure Corporation Limited (APIIC) by 31.1.2010 - Orders – Issued.

INDUSTRIES AND COMMERCE (INF) DEPARTMENT

G.O.Rt.No. 713

Dated: 25.11.2009.
Read the following:

1. G.O.Ms.No.91, Ind. & Com. (INF) Dept. dated:24.04.2007.
2. From the M.D., M/s. MLR Motors Limited, Letter, dated: 21.9.08.
3. G.O.Rt.No.787, Ind & Com (INF) Dept.,dt. 22.10.08.
4. From the Director, M/s. MLR Motors Ltd., Lr.dt.5.10.09.

=====

ORDER:

The Government, in the G.O. 1st read above have issued orders allotting 225 acres Government land identified at Muppireddipalli and Kallakal villages, Toopran Mandal, Medak District and extended certain benefits/concessions in favour of M/s. MLR Motors Private Limited for setting up of a 4 wheeler manufacturing facility subject to fulfilling the conditions stipulated therein. According to the condition stipulated in Para 6 of the order, the MLR Motors Private Limited has to achieve financial closure within one year, apart from fulfilling the other conditions.

2. In the circumstances reported by the Managing Director, M/s. MLR Motors Private Limited in his letter 2nd read above, the Government have extended the time limit in favour of the MLR Motors Private Limited to achieve the financial closure by 31.10.2009 in the G.O., 3rd read above.

3. The Director, M/s. MLR Motors Private Limited in his letter 4th read above has stated that the Automobile Engineering industries have experienced unprecedented global recession over the past one year and even the world leaders in Automobile industry have resorted in seeking bail out packages from their respective Governments. The investors and lenders in India are not taking exposure in the Automobile sector due to the economic meltdown. However the MLR Motors Private Limited in the absence of the external funds from the banks and other investors, have prioritised on the development of funds for critical engineering activities and project management. The extraordinary and unprecedented economic meltdown has prevented the company from achieving the financial closure within the stipulated time. The Director, M/s. MLR Motors Private Limited has further stated that they have commissioned M/s. IFCI Limited to syndicate the loans for the project and confident of achieving financial closure within the next 4 months and requested the Government to extend the time limit for achieving financial closure upto 31.3.2010 and also for making balance land cost to the APIIC by 31.1.2010.

Contd..

:: 2 ::

4. The Government, after careful consideration of the matter and the request of the Director of M/s. MLR Motors Private Limited hereby agrees to extend further time limit upto 31.3.2010 in favour of M/s. MLR Motors Private Limited to achieve the Financial Closure and to make payment of the balance land cost to the APIIC by 31.1.2010. The other conditions stipulated in the G.O. 1st read above shall remain unchanged.

5. The Managing Director, M/s. MLR Motors Private Limited is requested to take immediate action to fulfill the other conditions and other steps required in order to establish the 4 wheeler manufacturing facility at the earliest.

6. The Chairman & Managing Director, A.P. Industrial Infrastructure Corporation Limited is requested to take action accordingly.

[BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH]

B. SAM BOB
PRINCIPAL SECRETARY TO GOVERNMENT AND
COMMISSIONER FOR INDUSTRIAL PROMOTION

To
The Chairman & Managing Director,
A.P. Industrial Infrastructure Corporation Limited, Hyderabad.
The Managing Director, M/s. MLR Motors Pvt. Ltd.,
Plot No. 41/1A, I.D.A., Balanagar, Hyderabad – 500 037.
The Commissioner of Industries, Hyderabad.

Copy to:

P.S. to M (MI).
PS to Principal Secretary to Government & CIP.,
Industries & Commerce Department.
PS to Special Secretary to Government,
Industries & Commerce Department.
Sf/sc.

// FORWARDED :: BY ORDE //

SECTION OFFICER